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CONGRESSIONAL RECORD - HOUSE

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The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin? The Chair hears none and, without objection, appoints the following conferees: Messrs. KASTENMEIER, DANIELSON, MAZZOLI, HARRIS, GUDGER, CARR, RAILSBACK, SAWYER, and MOORHEAD of California.

There was no objection.

GENERAL LEAVE

MR. KASTENMEIER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill, H.R. 3486, just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

HOSTAGE RELIEF ACT OF 1980

MR. FASCELL. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 7085), to provide certain benefits to individuals held hostage in Iran and to similarly situated individuals, and for other purposes as amended.

The Clerk read as follows:

H.R. 7085

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Hostage Relief Act of 1980".

TITLE I—SPECIAL PERSONNEL BENEFITS

DEFINITIONS

Sec. 101. For the purposes of this title—

(1) The term "American hostage" means any individual who, while—

(A) in the civil service or the uniformed services of the United States, or

(B) a citizen or resident alien of the United States rendering personal service to the United States abroad similar to the service of a civil officer or employee of the United States (as determined by the Secretary of State),

is placed in a captive status during the hostage period.

(2) The term "hostage period" means the period beginning on November 4, 1979, and ending on the later of—

(A) the date the President specifies, by Executive order, as the date on which all citizens and resident aliens of the United States who were placed in a captive status due to the seizure of the United States Embassy in Iran have been returned to the United States or otherwise accounted for, or

(B) January 1, 1983.

(3) The term "family member", when used with respect to any American hostage, means—

(A) any dependent (as defined in section 5561 of title 5, United States Code) of such hostage; and

(B) any member of the hostage's family or household (as determined under regulations which the Secretary of State shall prescribe).

(4) The term "captive status" means a missing status arising because of a hostile action abroad—

(A) which is directed against the United States during the hostage period; and

(B) which is identified by the Secretary of State in the Federal Register.

(5) The term "missing status"—

(A) In the case of employees, has the meaning given it in section 5561(5) of title 5, United States Code;

(B) in the case of members of the uni-

formed services, has the meaning given it in section 551(2) of title 37, United States Code; and

(C) in the case of other individuals, has a similar meaning as that provided under such sections, as determined by the Secretary of State.

(6) The terms "pay and allowances", "employee", and "agency" have the meanings given to such terms in section 5561 of title 5, United States Code, and the terms "civil service", "uniformed services", and "armed forces" have the meanings given to such terms in section 2101 of such title 5.

PAY AND ALLOWANCES MAY BE ALLOTTED TO SPECIAL SAVINGS FUND

SEC. 102. (a) The Secretary of the Treasury shall establish a savings funds to which the head of an agency may allot all or any portion of the pay and allowances of any American hostage which are for pay periods during which the American hostage is in a captive status and which are not subject to an allotment under section 5563 of title 5, United States Code, under section 553 of title 37, United States Code, or under any other provision of law.

(b) Amounts so allotted to the savings fund shall bear interest at a rate which, for any calendar quarter, shall be equal to the average rate paid on United States Treasury bills with three-month maturities issued during the preceding calendar quarter. Such interest shall be compounded quarterly.

(c) Amounts may be allotted to the savings fund from pay and allowances for any pay period ending after November 4, 1979, and before the establishment of the savings fund. Interest on amounts allotted from the pay and allowances for any such pay period shall be calculated as if the allotment had occurred at the end of the pay period.

(d) Amounts in the savings fund credited to any American hostage shall be considered as pay and allowances for purposes of section 5563 of title 5, United States Code, (or in the case of a member of the uniformed services, for purposes of section 553 of title 37, United States Code) and shall otherwise be subject to withdrawal under procedures which the Secretary of the Treasury shall establish.

MEDICAL AND HEALTH CARE AND RELATED EXPENSES

Sec. 103. Under regulations prescribed by the President, the head of an agency may pay (by advancement or reimbursement) any individual who is an American hostage, or any family member of such an individual, for medical and health care, and other expenses related to such care, to the extent such care—

(1) is incident to that individual being an American hostage; and

(2) is not covered by insurance.

EDUCATION AND TRAINING

Sec. 104. (a) (1) Under regulations prescribed by the President, the head of an agency shall pay (by advancement or reimbursement) a spouse or child of an American hostage for expenses incurred for subsistence, tuition, fees, supplies, books, and equipment, and other educational expenses, while attending an educational or training institution.

(2) Except as provided in paragraph (3), payments shall be available under this subsection for a spouse or child of an individual who is an American hostage for education or training which occurs—

(A) after the ninetieth day after the date the individual is placed in a captive status, and

(B) on or before—

(1) the end of any semester or quarter (as appropriate) which begins before the date on which the hostage ceases to be in a captive status, or

(ii) if the educational or training institution is not operated on a semester or quarter system, the earlier of the end of any course which began before such date or the end of the 12-week period following that date.

In order to respond to special circumstances, the President may specify a date for purposes of cessation of assistance under subparagraph (B) which is later than the date which would otherwise apply under subparagraph (B).

(3) In the event an American hostage dies and the death is incident to that individual being an American hostage, payments shall be available under this subsection for a spouse or child of an individual who is an American hostage for education or training which occurs after the date of death.

(4) The preceding provisions of this subsection shall not apply with respect to any spouse or child who is eligible for assistance under chapter 35 of title 38, United States Code.

(b) (1) In order to respond to special circumstances, the head of an agency may, under regulations prescribed by the President, pay (by advancement or reimbursement) an American hostage for expenses incurred for subsistence, tuition, fees, supplies, books, and equipment, and other educational expenses, while attending an educational or training institution.

(2) Payments shall be available under this subsection for an American hostage for education or training which occurs—

(A) after the termination of such hostage's captive status, and

(B) on or before—

(1) the end of any semester or quarter (as appropriate) which begins before the date which is 10 years after the day on which the hostage ceases to be in a captive status, or

(ii) if the educational or training institution is not operated on a semester or quarter system, the earlier of the end of any course which began before such date or the end of the 12-week period following that date.

(c) Assistance under this section shall be discontinued for any individual whose conduct or progress is unsatisfactory under standards consistent with those established pursuant to section 1724 of title 38, United States Code.

(d) In no event may assistance be provided under this section for any individual for a period in excess of 45 months (or the equivalent thereof) in part-time education or training.

(e) Regulations prescribed by the President under this section shall provide that the program under this section be consistent with the assistance program under chapters 35 and 38 of title 38, United States Code.

EXTENSION OF APPLICABILITY OF CERTAIN BENEFITS OF THE SOLDIERS' AND SAILORS' CIVIL RELIEF ACT OF 1940

Sec. 105. (a) Under regulations prescribed by the President, an American hostage is entitled to the benefits provided by the Soldiers' and Sailors' Civil Relief Act of 1940 (40 U.S.C. App. 501 et seq.), including the benefits provided by section 701 (50 U.S.C. App. 591) but excluding the benefits provided by sections 104, 105, 106, 400 through 408, 501 through 512, and 514 (50 U.S.C. App. 514, 515, 516, 540 through 548, 561 through 572, and 574).

(b) In applying such Act for purposes of this section—

(1) the term "person in the military service" is deemed to include any such American hostage;

(2) the term "period of military service" is deemed to include the period during which such American hostage is in a captive status; and

(3) references to the Secretary of the Army, the Secretary of the Navy, the Ad-

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jutant General of the Army, the Chief of Naval Personnel, and the Commandant, United States Marine Corps, are deemed to be references to the Secretary of State.

(c) The preceding provisions of this section shall not apply with respect to any American hostage covered by such provisions of the Soldiers' and Sailors' Civil Relief Act of 1940 by reason of being in the armed forces.

APPLICABILITY TO COLUMBIAN HOSTAGE

Sec. 106. Notwithstanding the requirements of section 101(1), for purposes of this title, Richard Starr of Edmonds, Washington, who, as a Peace Corps volunteer, was held captive in Columbia and released on or about February 10, 1980, shall be held and considered to be an American hostage placed in a captive status on November 4, 1979.

EFFECTIVE DATE

Sec. 107. The preceding provisions of this title shall take effect as of November 4, 1979.

TITLE II—TAX PROVISIONS

Sec. 201. COMPENSATION EXCLUDED FROM GROSS INCOME.

For purposes of the Internal Revenue Code of 1954, the gross income of an individual who was at any time an American hostage does not include compensation from the United States received for any month during any part of which such individual was—

(1) in captive status, or

(2) hospitalized as a result of such individual's captive status.

SEC. 202. INCOME TAXES OF HOSTAGES WHERE DEATH RESULTS FROM CAPTIVE STATUS.

(a) GENERAL RULE.—In the case of an individual who was at any time an American hostage and who dies as a result of injury or disease or physical or mental disability incurred or aggravated while such individual was in captive status—

(1) any tax imposed by subtitle A of the Internal Revenue Code of 1954 shall not apply with respect to—

(A) the taxable year in which falls the date of such individual's death, or

(B) any prior taxable year ending on or after the first day such individual was in captive status, and

(2) any tax imposed under such subtitle A for taxable years preceding those specified in paragraph (1) which is unpaid at the date of such individual's death (including interest, additions to the tax, and additional amounts)—

(A) shall not be assessed,

(B) if assessed, the assessment shall be abated, and

(C) if collected, shall be credited or refunded as an overpayment.

(b) DEATH MUST OCCUR WITHIN 2 YEARS OF CESSION OF CAPTIVE STATUS.—This section shall not apply unless the death of the individual occurs within 2 years after such individual ceases to be in captive status.

Sec. 203. SPOUSE MAY FILE JOINT RETURN.

(a) GENERAL RULE.—If an individual is an American hostage who is in captive status, such individual's spouse may elect to file a joint return under section 6013(a) of the Internal Revenue Code of 1954 for any taxable year—

(1) which begins on or before the day which is 2 years after the date on which the hostage period ends, and

(2) for which such spouse is otherwise entitled to file such a joint return.

(b) CERTAIN RULES MADE APPLICABLE.—For purposes of subsection (a), paragraphs (2) and (4) of section 6013(f) of such Code (relating to joint return where individual is in missing status) shall apply as if the election described in subsection (a) of this section were an election described in paragraph (1) of such section 6013(f).

Sec. 204. TIME FOR PERFORMING CERTAIN ACTS POSTPONED BY REASON OF CAPTIVE STATUS.

(a) GENERAL RULE.—In the case of any individual who was at any time an American hostage, any period during which he was in captive status (and any period during which he was outside the United States and hospitalized as a result of captive status), and the next 180 days thereafter, shall be disregarded in determining, under the internal revenue laws, in respect of any tax liability (including any interest, penalty, additional amount, or addition to the tax) of such individual—

(1) whether any of the acts specified in paragraph (1) of section 7508(a) of the Internal Revenue Code of 1954 was performed within the time prescribed therefor, and—

(2) the amount of any credit or refund (including interest).

(b) APPLICATION TO SPOUSE.—The provisions of this section shall apply to the spouse of any individual entitled to the benefits of subsection (a). The preceding sentence shall not cause this section to apply to any spouse for any taxable year beginning more than 2 years after the date on which the hostage period ends.

(c) SECTION 7508(d) MADE APPLICABLE.—Subsection (d) of section 7508 of the Internal Revenue Code of 1954 shall apply to subsection (a) in the same manner as if the benefits of subsection (a) were provided by subsection (a) of such section 7508.

SEC. 205. DEFINITIONS AND SPECIAL RULES.

(a) AMERICAN HOSTAGE.—For purposes of this title, the term "American hostage" means any individual who, while—

(1) in the civil service or the uniformed services of the United States, or

(2) a citizen or resident alien of the United States rendering personal service to the United States abroad similar to the service of a civil officer or employee of the United States (as determined by the Secretary of State),

is placed in a captive status during the hostage period.

(b) HOSTAGE PERIOD.—For purposes of this title, the term "hostage period" means the period beginning on November 4, 1979, and ending on whichever of the following dates is the earlier:

(1) the date the President specifies, by Executive order, as the date on which all citizens and resident aliens of the United States who were placed in a captive status due to the seizure of the United States Embassy in Iran have been returned to the United States or otherwise accounted for, or

(2) December 31, 1981.

(c) CAPTIVE STATUS.—For purposes of this title—

(1) IN GENERAL.—The term "captive status" means a missing status arising because of a hostile action abroad—

(A) which is directed against the United States during the hostage period, and

(B) which is identified by the Secretary of State in the Federal Register.

(2) MISSING STATUS DEFINED.—The term "missing status"—

(A) in the case of employees, has the meaning given it in section 5561(5) of title 5, United States Code,

(B) in the case of members of the uniformed services, has the meaning given it in section 551(2) of title 37, United States Code, and

(C) in the case of other individuals, has a similar meaning as that provided under such sections, as determined by the Secretary of State.

For purposes of the preceding sentence, the term "employee" has the meaning given to such term by section 5561(2), of title 5, United States Code.

(d) HOSPITALIZED AS A RESULT OF CAPTIVE STATUS.

(1) IN GENERAL.—For purposes of this title, an individual shall be treated as hospitalized as a result of captive status if such individual is hospitalized as a result of injury or disease or physical or mental disability incurred or aggravated while such individual was in captive status.

(2) 2-YEAR LIMIT.—Hospitalization shall be taken into account for purposes of paragraph (1) only if it is hospitalization—

(A) occurring on or before the day which is 2 years after the date on which the individual's captive status ends (or, if earlier, the date on which the hostage period ends), or

(B) which is part of a continuous period of hospitalization which began on or before the day determined under subparagraph (A).

(c) CIVIL SERVICE; UNIFORMED SERVICES.—For purposes of this section, the terms "civil service" and "uniformed services" have the meanings given to such terms by section 2101 of title 5, United States Code.

(f) APPLICATION OF TITLE TO ALL TEHRAN HOSTAGES.—In the case of any citizen or resident alien of the United States who is determined by the Secretary of State to have been held hostage in Tehran at any time during November 1979, for purposes of this title—

(1) such individual shall be treated as an American hostage whether or not such individual meets the requirements of paragraph (1) or (2) of subsection (a), and

(2) if such individual was not in the civil service or the uniformed services of the United States—

(A) section 201 shall be applied by substituting "earned income (as defined in section 911(b) of the Internal Revenue Code of 1954) attributable to" for "compensation from the United States received for", and

(B) the amount excluded from gross income under section 201 for any month shall not exceed the monthly equivalent of the annual rate of basic pay payable for level V of the Executive Schedule.

(g) APPLICATION OF TITLE TO INDIVIDUAL HELD CAPTIVE IN COLOMBIA.—For purposes of this title, Richard Starr of Edmonds, Washington, who, as a Peace Corps volunteer, was held captive in Colombia, shall be treated as an American hostage who was in captive status beginning on November 4, 1979, and ending on February 10, 1980.

(h) SPECIAL RULES.

(1) COMPENSATION.—For purposes of this title, the term "compensation" shall not include any amount received as an annuity or as retirement pay.

(2) WAGE WITHHELD.—Any amount excluded from gross income under section 201 shall not be treated as wages for purposes of chapter 24 of the Internal Revenue Code of 1954.

SEC. 206. STUDY OF TAX TREATMENT OF HOSTAGES.

(a) STUDY.—The Chief of Staff of the Joint Committee on Taxation shall study all aspects of the tax treatment of citizens and resident aliens of the United States who are taken hostage or are otherwise placed in a missing status.

(b) REPORT.—The Chief of Staff of the Joint Committee on Taxation shall, before July 1, 1981, report the results of the study made pursuant to subsection (a) to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate.

TITLE III—TREATMENT OF THE HOSTAGES IN IRAN

VISITS BY THE INTERNATIONAL RED CROSS

Sec. 301. (a) The Congress finds that—

(1) the continued illegal and unjustified detention of the American hostages by the Government of Iran has resulted in the deterioration of relations between the United States and Iran; and

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(2) the protracted length and the conditions of their confinement have reportedly endangered the physical and mental well-being of the hostages. (b) Therefore, it's the sense of the Congress that the President should make a formal request of the International Committee of the Red Cross to—

(1) make regular and periodic visits to the American hostages being held in Iran for the purpose of determining whether the hostages are being treated in a humane and decent manner and whether they are receiving proper medical attention;

(2) urge other countries to solicit the cooperation of the Government of Iran in the visits to the hostages by the International Committee of the Red Cross; and

(3) report to the United States its findings after each such visit.

The SPEAKER pro tempore. Is a second demanded?

Mr. BUCHANAN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Florida (Mr. FASCELL) will be recognized for 20 minutes, and the gentleman from Alabama (Mr. BUCHANAN) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Florida (Mr. FASCELL).

Mr. FASCELL. Mr. Speaker, I yield to the distinguished chairman of the full committee, the gentleman from Wisconsin (Mr. ZABLOCKI).

APPOINTMENT OF CONFEREES ON H.R. 6790, FOREIGN SERVICE ACT OF 1980

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 6790) to promote the foreign policy of the United States by strengthening and improving the Foreign Service of the United States, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and request a conference with the Senate thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin. The Chair hears none and, without objection, appoints the following conferees: From the Committee on Foreign Affairs, Messrs. FASCELL, ZABLOCKI, MICA, GRAY, BUCHANAN, and PRITCHARD; from the Committee on Post Office and Civil Service, Messrs. HANLEY, FORD of Michigan, Mrs. SCHROEDER, Messrs. CLAY, TAYLOR, and LEACH of Iowa.

There was no objection.

The SPEAKER pro tempore. The Chair now recognizes the gentleman from Florida (Mr. FASCELL).

Mr. FASCELL. Mr. Speaker, I yield myself such time as I may consume.

(Mr. FASCELL asked and was given permission to revise and extend his remarks.)

Mr. FASCELL. Mr. Speaker, we have before us today H.R. 7085, the Hostage Relief Act of 1980, which has been considered by three committees of the House: The Committees on Foreign Affairs, Post Office and Civil Service, and Ways and Means. What we are considering is a compromise substitute for this legislation.

H.R. 7085, as amended, would provide certain relief benefits to our hostages in Iran and to their families. I will discuss the provisions contained in title I of the bill relating to special personnel benefits, and title III of the bill regarding the treatment of the hostages in Iran. I will then yield to the chairman of the Ways and Means Committee for the purpose of discussing the tax benefits contained in title II.

Section 101 of the bill contains definitions, an effective date of November 4, 1979, and a sunset provision which is the later of the date on which the President determines that all Government employees and resident aliens who were held hostage in Iran have been returned or accounted for, or January 1, 1983.

Section 102 sets up a special interest-bearing savings fund into which the unallotted portion of a hostage's pay could be deposited. This fund would earn interest at a rate which is equal to the average rate paid on U.S. Treasury bills with 3-month maturities issued during the preceding calendar quarter. The interest would be compounded quarterly.

Section 103 provides for the payment of medical and health care expenses—by advancement or reimbursement—and related expenses of the hostages and their families, to the extent that they are not covered by medical insurance and that such treatment is related to an individual being an American hostage.

Section 104 provides educational and training benefits for the spouse or child of a hostage. The benefits would start after the 90th day an individual is placed in a captive status and would stop at the end of any semester or quarter which began before the date on which the hostage ceased to be in a captive status. However, the President may, under special circumstances, extend the benefits for a longer period of time.

Section 104 also contains a provision that in the event an American hostage should die and the death is related to that individual being a hostage, payments will be made for the spouse or child for education or training after the date of death.

Another benefit in this section would provide education or training to a former hostage, under special circumstances. Such a benefit would be available under regulations prescribed by the President. They would not begin until after the end of the hostage's captive status and would be in effect for 10 years after that date, but the benefits themselves would not be in excess of 45 months or the part-time equivalent thereof.

Section 105 gives the hostages relief from any civil actions which may be taken against them during their captivity. It brings into effect certain provisions of the Soldiers' and Sailors' Civil Relief Act of 1940. The benefits provided by that act would prevent a hostage from being sued in a civil court until that individual is in a position to respond to the action.

Section 106 gives the benefits contained in H.R. 7085, as amended, to Richard Starr, who, as a Peace Corps volunteer, was held captive in Colombia and was

released in February 1980. The benefits would begin as if he were in a captive status on November 4, 1979.

Section 107 provides an effective date of November 4, 1979 to title I of the legislation.

Title III of H.R. 7085, as amended, calls for the President to make a formal request of the International Red Cross to make regular and periodic visits to the hostages to determine whether they are being treated in a humane and decent manner and are receiving proper medical attention. It also states that the International Red Cross should urge other countries to ask for the cooperation of the Government of Iran to allow such visits and that the International Red Cross should report to the United States its findings after each such visit.

Mr. Speaker, I yield such time as he may consume to the gentleman from Wisconsin (Mr. ZABLOCKI).

(Mr. ZABLOCKI asked and was given permission to revise and extend his remarks.)

Mr. ZABLOCKI. Mr. Speaker, I rise in support of H.R. 7085, as amended by the compromise substitute at the desk.

This legislation is intended as an expression of the Nation's recognition of the difficulties faced by those held hostage as a result of their Government service. While similar legislation has been enacted in the past for those in the military service, the Congress has not expanded such protection to civilians in Government service. The benefits contained in H.R. 7085, as amended, are based on those which were given to POW's as a result of the Vietnam war. Some of those benefits are still in effect and thus give the military personnel who are being held hostage some relief, but the civilian Government employees still have no such relief for themselves or their families.

The Congress must act now to alleviate, to the extent possible, the burdens of the hostages and their families and to make certain that all necessary assistance is provided upon their return home. It must assure that any assistance these families require is readily available. H.R. 7085, as amended, does just that, as the distinguished gentleman from Florida has fully explained.

I would like to take this opportunity to thank the members of the various committees involved in the consideration of this legislation for their cooperation in bringing to the floor a compromise substitute which retains the intent of the original legislation, which I cosponsored. The Committees on Foreign Affairs, Ways and Means, and Post Office and Civil Service have worked together in a timely fashion so that this legislation can be acted on before the Congress adjourns. I also understand that the Armed Services Committee supports the compromise substitute which includes certain additional benefits for military personnel held hostage.

I would also like to thank the Budget Committee for its cooperation in agreeing to the consideration of this bill under suspension of the rules.

Mr. Speaker, I urge the adoption of H.R. 7085, as amended.

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Mr. FASCELL. Mr. Speaker, I yield such time as he may consume to the gentlewoman from Colorado. (Mrs. SCHROEDER.)

(Mrs. SCHROEDER asked and was given permission to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, although the safe return of the Americans held hostage in Iran since November 4, 1979, remains uppermost in the minds of their families and the rest of the Nation, the Committees on Post Office and Civil Service, Foreign Affairs, and Ways and Means have turned their attention to some of the practical consequences of the hostages' absence.

As a result, the committees reported slightly differing versions of legislation to provide a special interest-bearing salary savings fund, medical and health benefits, tax relief, education and training benefits, and stays of civil actions affecting the hostages' property rights. I believe that the compromise substitute offered today represents an excellent synthesis of the interest each of the committees has in the welfare of the hostages.

At the outset, I would like to note that these special personnel benefits are not intended as part of the Foreign Service Act, but are contained in a separate piece of legislation designed as a temporary measure addressing the most immediate needs of the hostages and their families. The committee adopts this approach because it agrees with the administration that permanent legislation should await a thorough and independent study of the practical problems that arise in a hostage situation.

I would like to clarify the differences between the compromise substitute and the bill as reported by the Committee on Post Office and Civil Service. One change relates to the definition of "the hostage period." In the bill as reported by the committee, the hostage period began on November 4, 1979—the date of the takeover of the U.S. Embassy in Iran—and ended upon the return of the hostages or on the date the President specifies the hostages are otherwise accounted for. The compromise also sets November 4, 1979, as the beginning of the hostage period, but states that the hostage period runs until the date the President specifies that the hostages have been returned to the United States, or otherwise accounted for, or on January 1, 1983, whichever is later.

The Committee on Post Office and Civil Service agrees to this change with the understanding that the administration will study and report to the committee early enough to permit enactment of permanent legislation by January 1, 1983.

Another change relates to education and training benefits. The bill reported by the Committee on Post Office and Civil Service provided reimbursement for education and training expenses incurred by spouses and children. However, it did not provide education benefits for the hostages themselves.

The committee is pleased to agree to the inclusion of education and training

benefits for the hostages in the compromise substitute. The committee believes this provision wisely anticipates the possibility that some of the hostages might want additional education and training upon their return. If so, the committee believes that a hostage's expenses related to this education and training should be reimbursed. The committee also supports inclusion of title III, which relates to visits by the International Red Cross.

The rest of the provisions of the compromise substitute are virtually identical to the core of the bill reported by the Committee on Post Office and Civil Service. These provisions reflect the general intent of the bill as originally introduced by Mr. FASCELL, but enlarge its scope in line with the recommendations by the administration. Specifically, they:

Eliminate the \$25,000 limit on reimbursement for medical expenses;

Authorize medical expense reimbursements for "family members" as well as dependents;

Extend education reimbursement benefits to children as well as to spouses;

Include military personnel in provisions relating to the savings program and medical reimbursements; and

Limits application of the bill's provisions to the current hostage situation.

In addition to the administration's recommendations, other changes made by the committee that are also part of the compromise substitute:

First. Permit funds to be withdrawn from the savings fund to meet unexpected needs of the hostages or the families;

Second. Provide that interest be paid retroactively on the salaries held in personnel offices prior to the establishment of the savings fund;

Third. Permit extensions of eligibility for educational and training benefits under special circumstances; and

Fourth. Permit payment of allowable expenses by either advancement or reimbursement.

Consequently, the reported bill alters the scope and coverage of the introduced bill in three significant ways. As mentioned, it is a temporary measure, not permanent legislation, and expires at the end of the defined Iranian hostage situation. Second, it covers the military as well as the civilian hostages. Third, it extends certain benefits not only to the hostages' spouses and children, but also to other family or household members.

For the most part, these changes are reflected in the reported bill's controlling definitions and eligibility for the intended benefits of the reported bill hinges on the definitions of "American hostage" and "family member." These terms replace and expand upon the introduced bill's reference to employees, spouses, and dependents.

As defined in the reported bill, the terms "American hostage" and "captive status" do two things: One, they expressly include the military personnel who are among the Americans held hostage in Iran; and two, they limit the legislation's application to the current Iranian situation.

By reference to an existing definition

of "dependent," the reported bill includes wives, unmarried children under 21—including step-children or adopted children—dependent parents, and other

kinship of "family member." Subject to regulations to be prescribed by the Secretary of State, it also includes members of the hostages' families or households who are not technically "dependent."

The committee's use of the term "family member" is a deliberate expansion of the coverage of the introduced bill, which was limited to spouses and dependents. It reflects an administration suggestion that certain benefits should be available to individuals who might not be dependent on a hostage for financial support, but who have nevertheless suffered physical, mental, or emotional distress because of their close relationship to the hostage. The committee agrees with the administration and believes that the term "family members" allows the greatest flexibility in identifying those individuals entitled to the legislation's intended benefits.

The reported bill also provides that for purposes of this legislation, Richard Starr of Edmonds, Wash., is deemed an American hostage who entered into a captive status on or after November 4, 1979. Starr was kidnapped by Communist guerrillas on February 14, 1977, while serving as a Peace Corps volunteer in Colombia. He was released on or about February 10, 1980. Without this provision, the fact that Starr's initial capture predates November 4, 1979—the day the bill identifies as the beginning of the hostage period—would preclude his eligibility for the special personnel benefits.

I believe that the compromise substitute before you today will alleviate—to the extent possible—some of the financial burdens on the hostages and their families. I urge your support of this measure.

Mr. FASCELL. Mr. Speaker, I reserve the balance of my time.

Mr. BUCHANAN. Mr. Speaker, I yield such time as he may consume to the ranking minority member of the Committee on Ways and Means, the gentleman from New York (Mr. CONABLE).

Mr. CONABLE. Mr. Speaker, I support the suspension of rules and immediate passage of H.R. 7085, the Hostage Relief Act of 1980.

Title II, the Ways and Means Committee amendment to H.R. 7085 would exempt from Federal income tax the salaries of the American hostages in Iran.

The tax law currently contains provisions giving special tax treatment to military personnel serving in combat zones. H.R. 7085 extends similar treatment to the American hostages in Iran. Legislation is needed to accomplish this result because the hostages generally are U.S. Government employees but they are not military personnel.

First, H.R. 7085 exempts from income tax the salaries of the hostages beginning November 4, 1979, and extending through the period of their confinement. The committee realized that a more long-range approach is desirable, but decided to limit the current bill to the

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Iranian situation by putting an expiration date of December 31, 1981, on the bill's special tax treatment. The fixed expiration date was selected because it will allow the committee to study the general policy which should apply to detained Americans and develop a permanent tax provision.

Second, in the event of a hostage's death, all of his income tax liability will be waived. Third, the bill allows the spouses of hostages to file joint tax returns even though the spouse is unable to sign the return. Finally, the bill extends the many deadlines in the tax law—such as filing returns—by the period of captivity plus 180 days.

H.R. 7085 concludes by directing the Joint Committee on Taxation to study the tax treatment of American citizens taken hostage or otherwise missing. The report will be submitted by July 1, 1981, so that the Congress will be able to develop permanent statutory provisions before the December 31, 1981, expiration date in H.R. 7085 occurs.

Mr. Speaker, we owe the courageous American diplomats in Iran every consideration. H.R. 7085 will provide a small token of relief to the hostages and their families.

Mr. BUCHANAN. Mr. Speaker, I yield such time as he may consume to the gentleman from Iowa (Mr. LEACH).

Mr. LEACH of Iowa. Mr. Speaker, this is a very modest but very symbolic bill. It is designed to reward several of our citizens who have been deprived of their freedom by a foreign government and forsaken of their rights by our own.

Two hundred years ago our forefathers staked their lives on the principle that taxation without representation is tyranny. Today our hostages have no representation. They should not be taxed.

One cannot put a price tag on freedom but if our hands are tied abroad they are not at home. This legislation is one measure of support for hostages. It is the least we can do for them.

Mr. Speaker, I strongly support the principle of early and unanimous passage.

Mr. BUCHANAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 7085 and to associate myself with the remarks of the gentleman from Florida (Mr. FASCELL).

For 324 days Americans have been held captive in Iran, separated from their families and denied even the rights guaranteed prisoners of war. Fifty-one of those still being held hostage were sent to Iran by their Government to represent our country. They are being held in violation of numerous international laws and treaties.

Other hostages have been released or escaped. Their trauma was the same although their time of captivity was less.

All of these men and women have been subjected to unknown hardships and deprivation. Their lives will be unalterably changed. We pray that there will be no permanent or long lasting physical or emotional damage.

The legislation before us today is the

least we can do for these Americans who have lost nearly a year of their lives.

It is supported by the administration and by the hostage families.

Two weeks ago when we passed the Foreign Service Act of 1980, we recognized the increased hardships and demands placed upon Foreign Service officers—hardships akin to those faced by the military in combat zones.

By this legislation, we extend to American civilians and their families benefits similar to those provided to our POW's in Vietnam.

With H.R. 7085, we are saying to our hostages, "we appreciate your service to our country and we will not forget this service even after you return."

I strongly urged its adoption.

Mr. FASCELL. Mr. Speaker, I yield such time as he may consume to the distinguished chairman of the Ways and Means Committee, the gentleman from Oregon (Mr. ULLMAN).

Mr. ULLMAN. Mr. Speaker, I would like to first commend the distinguished gentleman from Florida (Mr. FASCELL) for having brought this legislation to the floor. The Committee on Ways and Means has been extremely proud to participate in the consideration of this bill, in providing the tax measures which are an important component of the package.

Mr. Speaker, the Ways and Means Committee considered title II of H.R. 7085, the Hostage Relief Act of 1980. These tax provisions of the bill provide tax relief to the American hostages in Iran, other American hostages, and their families. Under the bill, Federal employees held hostage could exclude from income their Federal compensation. If death results to a U.S. citizen or resident alien from captivity, all income tax liability of that individual from the initial year of captivity to the year of death would be forgiven. The spouse of a hostage would be permitted to file a joint return. Various deadlines under the tax laws would be postponed during the period of captivity and for 180 days thereafter. Finally, the staff of the Joint Committee on Taxation is directed to make a study of this area.

Mr. Speaker, I strongly urge the adoption of H.R. 7085, which would provide much-needed relief to the American hostages and their families.

Mr. FASCELL. Mr. Speaker, will the gentleman yield?

Mr. ULLMAN. I will be happy to yield to my friend from Florida.

Mr. FASCELL. Mr. Speaker, I want to thank the distinguished chairman of the Committee on Ways and Means for the prompt, careful and generous consideration given by him and the members of his committee in a very thoroughly bipartisan manner, and for making it possible to bring this legislation to the floor today.

While I have the opportunity to thank everyone for this truly bipartisan effort, let me say that since this idea was conceived in the Subcommittee on International Operations of the Committee on Foreign Affairs, we have had nothing but the finest cooperation from the ranking

minority member, the distinguished gentleman from Alabama (Mr. BUCHANAN). We have had that same cooperation from the chairman of the Committee on Post Office and Civil Service (Mr. HANLEY), members of that committee on both sides of the aisle, and its subcommittees.

Mr. Speaker, none of this would have been possible without the untiring interest and support of the Family Liaison Action Group; particularly Katherine Keough and Louisa Kennedy. For them and their families we are happy to speed this bill on its way. I thank the distinguished chairman.

• Mr. DERWINSKI. Mr. Speaker, the Hostage Relief Act is a good bill reflecting the combined effort of three House committees: the Foreign Affairs Committee, the Ways and Means Committee, and the Post Office and Civil Service Committee. The substitute text which emerged from these committees is fair and decent and is the least we can do for those Americans being held hostage and their families.

Although the bill pertains to special benefits afforded these Americans, it is more to secure indemnity for the hostages whose fate is still in the clutches of an uncompromising and detestable government. The lives of these innocent Americans have been traumatically interrupted not only by imprisonment but also at home, where the families of these Americans must live each day hour by hour awaiting the latest news which might once again happily unite them.

Of course, it is impossible to predict the outcome of this affair; the damages done here will never be fully realized until it has ended once and for all. But what we can do right now is to prepare for the day these Americans are brought home, prepare for the day when they are reunited with their families so they may resume a normal and happy lifestyle with as little hardship and as much ease as possible.

The provisions of the bill have been carefully examined by my colleagues and provide for a special salary savings fund, a continuation of educational benefits and opportunities, a deferment of tax liabilities, and several other provisions.

The major provision of the bill is the postponement of civil action regarding the property rights of the hostages. Iranian assets here are currently frozen while American property in Iran has been confiscated. The tangled webs which will emerge after the Iranian hostage crisis has ended will take years to unwind. The sooner we prepare for that day the more readily will we be able to deal with these problems when they arrive.

I strongly support this legislation and urge its immediate enactment. •

• Mr. BROOMFIELD. Mr. Speaker, on Monday, September 22, our hostages in Iran will enter their 324th day of captivity. Three hundred and twenty-four days apart from their families and loved ones, 324 days away from the warmth of their homes, 324 days in a country beset by internal upheaval, parliamentary politics, and now at war with one of its neighbors, our hostages remain the vic-

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tims of a grim and contemptible charade set in motion by the Government of Iran in open and continued defiance of international law.

In the past year our hostages have been incarcerated cruelly and unjustly, be they in Iran or Bolivia. In particular, our hostages in Tehran have endured a great deal, frustrated by a U.S. rescue mission which not only failed in its purpose, but also left eight Americans dead on a remote salt plateau. Moreover, the families of our hostages have also undergone severe mental, emotional, and physical strain, and in some instances, economic hardship due to these contumaciously forced separations.

It is for these reasons, Mr. Speaker, that we should favorably consider the legislation we have before us today. The Hostage Relief Act of 1980 is intended as an expression of our Nation's recognition of the many difficulties faced by those held hostages as a result of Government service. While such legislation has been enacted in the past for those in military service, such as the POW's as a result of the Vietnam war, this marks the first time that the Congress has expanded such protection and benefits as medical reimbursement and preferential tax treatments to those in civilian Government service and their families. This should be done now in order that, to the extent possible, many burdens of the hostage situation can be alleviated.

The provocative attack upon our Embassy in Tehran and more recently, the attacks upon our Ambassador to Lebanon and the U.S. Embassy in El Salvador, underscore the danger of American Government service in a world increasingly bent upon terrorism and hostage mentalities. In order to better express America's united support for our hostages and their families and to insure that some medical and economic protection is in place for American Government personnel held hostage—in present and in future situations—I urge my colleagues to favorably consider the legislation before us today.●

Mr. FASCELL. Mr. Speaker, I have no further requests for time and yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida (Mr. FASCELL) that the House suspend the rules and pass the bill, H.R. 7085, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: "A bill to provide certain benefits to individuals held hostage in Iran and to similarly situated individuals."

A motion to reconsider was laid on the table.

□ 1650

AUTHORIZING DOCUMENTATION OF VESSEL, "SARA," AS VESSEL OF UNITED STATES WITH COASTWISE PRIVILEGES

Mr. AUCOIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the Senate bill (S. 1442) an act to

authorize the documentation of the vessel, *Sara*, as a vessel of the United States with coastwise privileges, with Senate amendments to House amendments thereto, and agree to the Senate amendments.

The Clerk read the title of the Senate bill.

The Clerk read the Senate amendments to the House amendments, as follows:

Page 3, line 23, of the House engrossed amendment, strike out "berth" and insert "load".

Page 4, line 2, of the House engrossed amendment, strike out "berthing" and insert "loading".

Page 4, after line 4, of the House engrossed amendment, insert:

Sec. 6. Notwithstanding section 27 of the Merchant Marine Act, 1920, as amended (46 U.S.C. 883), or any other provision of law to the contrary, the vessel known as the *Scuba King*, official number 582376, owned by Bernard Despins, shall be entitled to be documented to engage in the fisheries and the coastwise trade upon compliance with the usual requirements, so long as such vessel is, from the date of enactment of this section, continuously owned by a citizen of the United States. For the purposes of this section, the term "citizen of the United States" includes corporations, partnerships, and associations, but only those which are citizens of the United States within the meaning of section 2 of the Shipping Act, 1916 (46 U.S.C. 802).

Mr. AUCOIN (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendments be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Oregon?

Mr. McCLOSKEY. Mr. Speaker, reserving the right to object, I address this question to the gentleman from Oregon: Is this the matter we discussed a few minutes ago?

Mr. AUCOIN. Will the gentleman yield?

Mr. McCLOSKEY. I will be glad to yield.

Mr. AUCOIN. I appreciate the gentleman yielding to me. It is exactly the subject we discussed a moment ago.

Mr. McCLOSKEY. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. COURTER. Mr. Speaker, due to an illness in my immediate family, I was unable to be present during the vote on final passage of H.R. 85, the Comprehensive Oil Pollution Liability and Compensation Act, rollcall No. 571, on September 19, 1980.

Had I been present I would have voted "yea."

Mr. Speaker, I ask unanimous consent that the RECORD so reflect.

The SPEAKER pro tempore. Is there

objection to the request of the gentleman from New Jersey?

There was no objection.

SUPPORT FOR ECONOMIC DEVELOPMENT ADMINISTRATION

(Mr. PERKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PERKINS. Mr. Speaker, I take to the floor to express my deep regret that conferees on S. 2719, authorizing the Housing and Community Development Act of 1980, have failed to reach agreement on a final version of the bill.

I hope that our colleagues will make another effort to get together and bring back a conference report for early passage by the House.

My remarks here today deal particularly with the impact of this situation on the Economic Development Administration, one of the most effective agencies in the Federal Government for fighting unemployment and inflation.

In my district, as in many other underdeveloped and distressed areas across the country, we depend upon EDA to help us build an environment for jobs and industry.

EDA has done a tremendous job in carrying out that mission, by building the infrastructure of progress in the form of water lines, community facilities and the like—all of those things which make economic development and growth possible.

For the past year, EDA has been operating on a continuing resolution. This has meant that residents of distressed areas such as Hazard, Ky., lost millions of dollars of economic development assistance that would have been available to them under President Carter's EDA proposals.

In public works grants alone, we lost \$265 million that had been proposed for the fiscal year ending this month.

For the coming fiscal year, the loss of the expanded EDA legislation will mean an even greater loss in public works moneys, as well as economic adjustment funds so critical to the redevelopment efforts of communities badly hurt by the loss of jobs in the automobile and steel industries.

Only \$315 million will be available for these public works and adjustment programs, which is \$340 million less than would have been available under the expanded program.

But this does not tell the whole story. EDA already has a backlog of \$300 million in public works applications which it had hoped to be able to fund with the expanded public works appropriation proposed but never enacted because of the deadlock over the authorizing legislation.

If the impasse continues, it is no secret that EDA is out of the public works business for the coming fiscal year—even before it starts. The new industrial park or the rehabilitated commercial structure a distressed community may need to retain or attract new firms, will not be possible until more than a year from now. So more jobs are going to disappear from